Application No.:

09/783,899

Amendment Dated:

November 10, 2006 Reply to Office Action of: August 11, 2006

Remarks/Arguments:

Claims 1-42 are pending in the above-identified application.

Page 18 of the Specification has been amended to correct a typographical error. In particular, "the data pieces DMA1 and DMA2" have been amended to recite, "the data pieces CMD1 and CMD2" as shown at Fig. 4. No new matter has been added.

Claims 1-42 were rejected under 35 U.S.C. § 103 (a) as being obvious in view of Ebisawa, Ellis et al. and Muyres et al. Claim 1 is amended to include,

> ... receiving the program interleaved with broadcast advertisement data different from the recorded advertisement data:...

> ... the selective synthesizing includes **removing** a portion of the broadcast advertisement data and replacing the removed portion with a portion of the stored advertisement data. (Emphasis added).

Basis for these amendments may be found in the specification at page 17, line 14 to page 18 line 6 and Figure 4. With regard to claim 1, neither Ebisawa, Ellis et al., Muyres et al., nor their combination disclose or suggest removing a portion of the broadcast advertisement data and replacing the removed portion with a portion of the stored advertisement data.

As recited in Ellis et al., the "default priority advertisements [stored advertisement data] may reside at user television equipment" and "may only be displayed if no other advertisements are available." (Para. [0136]). The stored advertisement data does not replace data of any kind. Thus, if there are other advertisements available, the default priority advertisements are not displayed. Ellis et al does not suggest the removal of advertisement data. In contrast, as shown at Fig. 4 of the present invention, the broadcast advertisement data CMA1 and CMA2 are removed and replaced by the recorded advertisement data CMD1 and CMD2, respectively.

Application No.:

09/783,899

Amendment Dated:

November 10, 2006

Reply to Office Action of: August 11, 2006

Applicant's claimed feature of removing a portion of the broadcast advertisement data and replacing the removed portion with a portion of the stored advertisement data is advantageous over the prior art because sponsors can remove unwanted advertisements that were broadcasted with a program and replace them with recorded advertisements to be watched without fail when the user watches a recorded program.

Ebisawa teaches a game system which is operable to update advertisements that are displayed when a game program is executed. Ebisawa does not make up for the deficiencies of Ellis et al.

Muyres et al. teaches a method for providing offline advertising. The infrastructure and inventory, which include advertisements, may both be stored in a hard drive, or the inventory may instead be stored on a removable media, such as a CD, DVD, or tape. Customers shop in a plurality of stores operated by vendors and the advertising is then presented to them. Muyres et al. also does not make up for the deficiencies of Ellis et al.

Because neither Ebisawa, Ellis et al., Muyres et al., nor their combination disclose or suggest the features of claim 1, claim 1 is in condition for allowance.

With regard to claims 2 and 39, while not identical to claim 1, these claims include features similar to those set forth above with regard to claim 1. Thus, claims 2 and 39 are also allowable over the art of record for reasons similar to those set forth above with regard to claim 2 and 39.

Claims 3-38 and 40-42, which include all of the features of their respective base claims, are submitted for allowance for the reasons described above with respect to their base claims.

Application No.:

09/783,899

Amendment Dated: Nov

November 10, 2006

Reply to Office Action of: August 11, 2006

In view of the foregoing amendments and remarks, this Application is in condition for allowance which action is respectfully requested.

Respectfully submitted,

Allan Rather, Reg. No., 19,717 Attorney for Applicants

MTS-3244US

AR/bj

Dated:

November 10, 2006

The Commissioner for Patents is hereby authorized to charge payment to Deposit Account No. 18-0350 of any fees associated with this communication.

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail, with sufficient postage, in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22/313-1450 on: November 10, 2006.

Beth Johnson

58520